Corporation (PFC) has been funding some power projects in the country;

(b) if so, which power projects are being funded by PFC;

(c) whether PFC has also short listed some Private Power Projects for funding; and

(d) if so, the details thereof?

THE MINISTER OF POWER (SHRI R. KUMARAMANGALAM): (a) Yes, Sir.

(b) The various types of projects funded by PFC, inter alia, include renovation & modernisation of thermal plants, renovation and uprating of hydro plants; system improvement; transmission; urban distribution, hydro and thermal generation.

(c) Yes, Sir.

(d) The details of the loans sanctioned for private sector projects by PFC are enclosed in the attached Statement.

Statement

Details of the loans sanctioned by PFC to Private Sector Projects

Sl.No.	State	Name of Company	Project/type of loan
1.	Maharashtra	B.S.E.S., Bombay	Financing of project for improvement of T&D System at Bombay.
2.	Madhya Pradesh	Shri Maheshwar Hydel Power Corpn. Ltd.	Maheshwar Hydel Power Project (10×40MW)
3.	Gujarat	GIPCL	2×125 MW Circulating FBC at Mangrol TPS.
4.	Andhra Pradesh	Andhra Pradesh Gas Power Corpn. Ltd.	172 MW multi fuel gas power plant at Vijjawaram.
5.	Andhra Pradesh	Greenview Power Projects Ltd.	2×6 MW DG at Nandayal.
6.	Andhra Pradesh	Kondapalli Power Corporation Ltd.	355 MW Naptha based CCGT in Krishna Distt.

Counter-Guarantee To M/s Hinduja for Thermal Power Project

3920. SHRI C.O. POLUOSE: Will the Minister of POWER be pleased to state:

(a) whether Government has given counter gurantees to M/s Hinduja in connection with their Thermal Power Project;

(b) the details of these counter gurantees and the financial impact of these gurantees;

(c) the justification of these counter gurantees;

(d) whether Government is giving similar gurantees to public sector undertakings; and

(e) if not, reasons therefor?

THE MINISTER OF POWER (SHRI R. KUMARAMANGALAM): (a) to (e) The Government of India counter guarantee scheme was developed as a transitory measure to boost private investment and it was decided in 1994 to extend Government of India counter gurantees to eight initial projects that had been cleared for bringing in foreign investment in the power sector. The Government has recently approved extension of counter guarantee in the

case of one of these eight projects, viz. the Visakhapatnam Thermal Power Project (1040 MW) of M/s Hinduja National Power Company Limited (HNFCL) in Andhra Pradesh through a revised procedure. It has, inter-alia, been decided that counter-guarantee will be given only for the event of termination and will be limited to the outstanding foreign debt only.

There are alternative security mechanisms for the central public sector undertakings in the power sector.

Loans to Power Grid Corporation

3921. SHRI GHUFRAN AZAM: Will the Minister of POWER be pleased to state:

(a) whether Power Grid Corporation has sought sectoral loan from Asian Development Bank to undertake system improvement schemes;

(b) if so, the total loan required for the upgradation of the system;

(c) whether the madolities for loans have been worked out and discussions held with the officials of Asian Development Bank; and

(d) if so, the details thereof?:

THE MINISTER OF POWER (SHRI R. KUMARAMANGALAM): (a) and (b) yes Sir. Powergrid Corporation of India Ltd. (POWERGRID) has sought a sectoral loan of US $ 350 million from Asian Development Bank (ADB) to undertake various System Improvement Schemes and Associated Transmission Systems.

(c) and (d) A fact finding Mission from ADB held discussions with POWERGRID in May, 1998. The ADB is likely to send an appraisal mission. After the appraisal of the Project and conclusion of negotiation, the ADB Board will take decision regarding funding of the project.

Renovation/Modernisation of Power Plants

3922. SHRI RAMDAS AGARWAL: Will the Minister of POWER be pleased to state:

(a) whether Government have so far taken any final decision for renovating/ modernising the existing power plants on a large scale;

(b) if so, the number of plants which are likely to be renovated/modernised (State-wise);

(c) to what extent their capacity will be increased as a result thereof; and

(d) the total additional budgetary support provided for modernising these power plants during 1998-99 year and Ninth Plan period?

THE MINISTER OF POWER (SHRI R. KUMARAMANGALAM): (a) in order to improve the performance of the existing thermal power stations, a renovation and modernisation (R&M) programme (Phase-I) was launched by the Government of India in 1984. The programme covered 163 thermal units in 34 selected stations. The total sanctioned cost of various schemes was Rs. 1165.00 crores. Benefits by way of additional generation of more than 10000 MUs/year have been achieved against the target of 7000 MUs/year.

Phase-II of the programme for R&M for thermal power stations was taken up in the year 1990-91 for implementation during the 8th Plan. Under this programme, 44 thermal power stations comprising 198 thermal units aggregating a total capacity of 20869.435 MW were covered at a total sanctioned cost of Rs.2383.03 crores.

A programme for renovation, modernisation and uprating of hydel power stations was also formulated in which 55 schemes were identified with an aggregate capacity of 9653 MW (210 generating units). The total estimated cost of these schemes is Rs.1493.00 crores.